Leather industry

1500. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the concentration areas of leather industry;

(b) the details of the organized and unorganized leather industry;

(c) whether the indigenous leather industry is finding it difficult to compete with the new players in the market; and

(d) if so, the steps being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) Agra, Kanpur, Kolkata, Mumbai, Jaipur, Indore, Jalandhar, Meerut, Kolhapur, Chennai and Ranipet are the major concentrarion areas of leather industry.

(b) There are about 1600 tanneries, 400 footwear units, 310 leather garment units and 390 leather goods units in the organised sector in India. The leather industry employs about 2.5 million people out of which 1.5 million are in the unorganized sector. Out of the total annual production of 1800 million sq. feet of leather, about 90 million sq. feet (5%) is produced in the unorganised sector. The unorganised sector in leather mainly caters to the domestic market and is mainly involved in flaying, curing, handling, transportation, tanning, footwear and leather goods fabrication.

(c) and (d) The indigenous leather industry faces problems of lack of finance, small production base, obsolete technology, lack of standardisation and poor marketing abilities. In order to address these issues, the Government has provided an outlay of Rs. 400 crores in the Tenth Five Year Plan for comprehensive development of leather sector. These development initiatives will include technology upgradation and modernization/expansion, human resource development, infrastructure development, productivity improvement, marketing and investment promotion.